

JLC Position Paper
TAX RELIEF FOR 100% DISABLED VETERANS

1. **ISSUE:** To provide relief from local government real estate tax for veterans who are 100% disabled without regard to any form of means testing.
2. **BACKGROUND:**
 - The Virginia Code provides that the “*governing body of any county, city or town may by ordinance provide for the exemption from...taxation of real estate*” for persons “*at least sixty five years of age or if provided in the ordinance anyone found to be permanently and totally disabled*”.
 - The Code further sets restrictions and conditions on any exemption provided by the localities which include 1) Income restrictions and 2) financial worth restrictions. Income restrictions apply to the owner and any relatives living in the dwelling. Financial worth restrictions apply to the owner and his/her spouse.
 - Localities may set income/net worth caps lower than those mandated by the state but may not set caps higher than those set by the state even if they desired to do so.
 - As of Sept. 2006, the VA reported that there are 6,401 Virginia veterans who are 100% disabled.
3. **DISCUSSION:**
 - To provide this tax relief requires an amendment to the Virginia Constitution.
 - This tax relief would have no impact on state revenues.
 - From town hall meetings conducted by the DVS, members of the veterans’ community feel that veterans with a 100% service-connected disability (i.e. those who are totally disabled) have earned, through their service and sacrifice, the right to a real estate tax exemption, regardless of income or financial worth.
 - In their report on Executive Order 19, “*Serving Virginia’s Veterans*,” dated April 30, 2007, the Department of Veterans Services recommended that the Code of Virginia be amended to provide a real estate tax exemption for these veterans, regardless of income or financial worth.
 - Re EO 19, Governor Kaine’s guidance was to pay particular attention to the needs of our disabled veterans.
 - Del. Scott Lingamfelter’s office has contacted the JLC asking for its support for this issue as the Delegate intends to patron this effort.
4. **RECOMMENDATION:** That the Governor and the General Assembly pass legislation to amend the Virginia Constitution that would require local governments to grant real estate tax exemptions for 100% disabled veterans without regard to means testing.